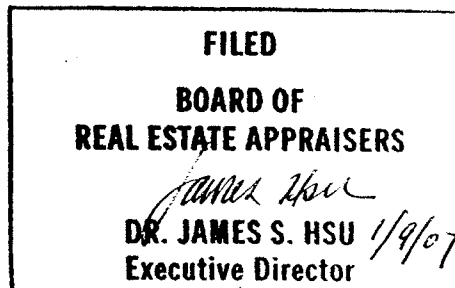


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COPY

STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
NEW JERSEY STATE BOARD
OF REAL ESTATE APPRAISERS

IN THE MATTER OF THE LICENSE OF :	:	
	:	
CAROLYN DE LUCA-AVALLONE, :	:	
License RC00111400 :	:	CONSENT ORDER
	:	
TO ENGAGE IN REAL ESTATE :	:	
APPRAISING IN THE STATE :	:	
OF NEW JERSEY :	:	
	:	

This matter was opened to the New Jersey State Board of Real Estate Appraisers ("the Board") in connection with the Board's receipt of information regarding ten appraisal reports which respondent prepared with the assistance of a trainee appraiser.

Although respondent received some assistance in the preparation of the reports from the trainee, respondent did not indicate in the reports that she had received significant professional assistance from the trainee, inasmuch as respondent claims that she did not believe that the trainee's contribution to the reports was significant. With respect to five of the reports, respondent signed the certification required pursuant to Standards Rule 2-3 of the Uniform Standards of Professional Appraisal Practice ("the USPAP") indicating that she had personally inspected the interior and exterior of the property, when in fact she had not personally inspected the properties. Moreover, with respect to two other reports, respondent was not sure whether she had ever inspected the properties. With regard to the remaining properties, respondent indicated that she had personally inspected them within a year prior to the date of valuation, although not on the date of valuation. With respect to the appraisal of another property, unrelated to the original complaint, located at 41 Runyon Lane, in Edison, respondent also admitted to signing the certification indicating that she had personally inspected the subject property, although she did not enter the subject, remaining outside while an assistant entered the residence to inspect it. The Board finds that the signing of an inaccurate certification on these occasions, indicating that

she had personally inspected the interior and exterior of the subject property when she had not is misleading within the intentment of the Conduct Section of the Ethics Rule of the USPAP, as well as constituting misrepresentation pursuant to N.J.S.A. 45:1-21(b). Moreover the Board finds that the observation of the interior of the subject property and the noting of the interior condition of the subject is a significant component of the appraisal process, and a trainee providing assistance in that regard is providing significant professional assistance which must be noted in an appraisal report.

Finally respondent stated that she did not maintain complete hard copies of her workfiles on a regular basis because she believed that by indicating her information sources within the appraisal report, she rendered it unnecessary to maintain a complete workfile, inasmuch as the documents upon which she relied could be reproduced from her computer files. Respondent did maintain copies of contracts for sale relating to the subject properties in her reports, however. The Board finds that the failure to maintain a complete workfile as required by the recordkeeping section of the Ethics Rule of the USPAP constitutes professional misconduct in violation of N.J.S.A. 45:1-21(e), warranting severe sanctions. Where mortgage fraud is an issue, the failure to maintain a workfile containing the documents upon which the licensee relied in preparation of an appraisal report

provides a licensee with a means to evade questions as to the manner in which a report was prepared and the information sources upon which the licensee relied, rendering it more difficult to ascertain whether deliberate misconduct was engaged in.

In this instance, however, the Board has not found any of the USPAP violations suggest inflation of values. In the interests of expediting a resolution of this matter, and in order to resolve this matter without further proceedings, and without admissions, and for other good cause shown,

IT IS ON THIS 9th DAY OF January, 2007,
HEREBY ORDERED AND AGREED THAT:

1. Respondent's license as a real estate appraiser shall be suspended for two years for violation of N.J.S.A. 45:1-21(b) and (e); the entire amount of such suspension to be stayed and served as a period of probation. The terms of respondent's probation shall include, but not necessarily be limited to, compliance with the provisions indicated below. The period of suspension is to commence upon the date of filing of this Order.

2. Respondent shall pay a civil penalty in the amount of \$7,500.00, as well as costs to the State in the amount of \$674.75, for a total amount due of \$8,174.75. Payment shall be made in the form of a certified check, money order, or attorney

trust account check made payable to the State of New Jersey. Payment in the amount of \$1,000.00 shall be due upon the submission of this signed Order. Subsequently, beginning on February 15, 2007, respondent shall make payments of \$500.00 per month, due on the 15th day of each month until the entire amount due has been paid. Payments shall be sent to the attention of Dr. James S. Hsu, Executive Director, Board of Real Estate Appraisers, P.O. Box 45032, Newark, NJ 07101. If any payment is not made within 15 (fifteen) days of its due date, the entire unpaid balance due and payable under this Order shall immediately become accelerated and be deemed due and payable, with interest calculated in accordance with R. 4:42-11 from the date of default.

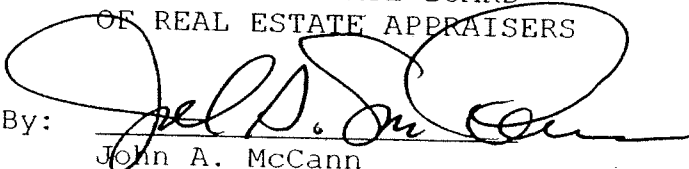
3. Respondent shall not serve as a supervisory appraiser to any trainee for a period of one year dating from April 15, 2006. Respondent undertakes not to sign appraisal report certifications indicating that she has personally inspected the exterior and/or interior of the property appraised if she has not personally inspected the exterior and/or interior of the property within several days of the date of valuation. If the inspection of the property has only been performed by a trainee, this shall be truthfully indicated in the certification section of the report.

4. Respondent shall submit documentation to the Board of

having successfully completed a 15-hour USPAP course within six months of the filing of this Order.

NEW JERSEY STATE BOARD
OF REAL ESTATE APPRAISERS

By:

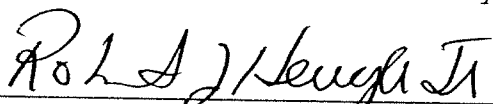

John A. McCann
Board President

I have read and understand
this Order and agree to be
bound by its terms.


Carolyn DeLuca-Avallone

Date: 1/5/07

Consent as to form and entry:


Robert L. Heugle, Jr., Esq.
Attorney for respondent

Date: 1/5/07